

State of South Dakota

EIGHTIETH LEGISLATIVE ASSEMBLY, 2005

400L0236

HOUSE COMMERCE COMMITTEE ENGROSSED NO.

HB 1035 - 01/18/2005

Introduced by: The Committee on Commerce at the request of the Department of Revenue
and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the regulation of
2 remote service banking.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 51A-8 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 No person other than a national bank, a bank organized under the laws of this or any state,
7 a savings and loan association or savings bank organized under the laws of the United States or
8 this or any state, or a credit union organized under the laws of the United States, may accept
9 deposits through the use of remote service units.

10 Section 2. That § 51A-8-2 be repealed.

11 ~~51A-8-2. Any bank, individually or jointly with one or more banks, may provide for and~~
12 ~~engage in the business of banking by means of remote service units located anywhere within this~~
13 ~~state.~~

14 Section 3. That § 51A-8-3 be repealed.

15 ~~51A-8-3. The bank or banks maintaining a remote service unit shall make it available for~~



1 ~~use by and share the unit with other banks located in this state on a fair, equitable, and~~
2 ~~nondiscriminatory basis. Such sharing with another bank or banks shall be conditioned upon a~~
3 ~~written request therefor and an agreement to share all costs, including a reasonable return on~~
4 ~~capital expenditures incurred with the development, installation, and operation of the remote~~
5 ~~service unit. An agreement to share remote service units may permit a financial institution~~
6 ~~authorized to do business in this state to charge a customer any fees allowed by state or federal~~
7 ~~law.~~

8 Section 4. That § 51A-8-4 be repealed.

9 ~~— 51A-8-4. A bank installing a remote service unit or joining with one or more banks to use~~
10 ~~such a unit, shall notify in writing the division not less than thirty days prior to the activation~~
11 ~~of the unit for use by the public or thirty days prior to the use by its customers of an already~~
12 ~~established remote service unit. The notification to the division shall contain such information~~
13 ~~as the division requires and shall be upon a form to be furnished by the division.~~

14 Section 5. That § 51A-8-6 be repealed.

15 ~~— 51A-8-6. A manned remote service unit may be assisted by one or more persons who shall~~
16 ~~not be employees of the bank or banks involved with the electronic transmission.~~

17 Section 6. That § 51A-8-7 be repealed.

18 ~~— 51A-8-7. A remote service unit located within this state may be used by customers of foreign~~
19 ~~banks with the consent of a South Dakota bank which is maintaining or using the same unit.~~

20 Section 7. That § 51A-8-8 be repealed.

21 ~~— 51A-8-8. An owner of a remote service unit as described in § 51A-8-1 may charge the user~~
22 ~~of the remote service unit a transaction fee for making a cash withdrawal at the remote service~~
23 ~~unit. This charge may be in addition to any fees assessed by the financial institution that holds~~
24 ~~the user's account. If an owner of the remote service unit charges a transaction fee, the~~

1 ~~transaction fee shall be disclosed:~~

2 ~~—(1)— On a sign posted on or in clear view of the remote service unit;~~

3 ~~—(2)— Electronically during the course of the transaction so as to permit the user to cancel~~
4 ~~the transaction without incurring the transaction fee; and~~

5 ~~—(3)— On the transaction record to be made available to the user upon completion of the~~
6 ~~transaction.~~